Sale of power from Dabhol power plant

2254. SHRIMATI SUPRIYA SULE: Will the Minister of POWER be pleased to state:

(a) whether Government have moved to resolve the Dabhol impasse with Maharashtra Government agreeing to sign the power purchase agreement that incorporates an increase in power unit cost from the plant;

(b) if so, whether a Group of Ministers has decided that cost restructuring for the plant would be referred to a committee under the chairmanship of the banking secretary;

(c) what both the Central and the State Government have agreed to the suggestions made by the committee;

(d) whether the Committee's recommendations would be incorporated later; and

(e) to what extent it would help the Maharashtra Government to meet the power shortage?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) Ratnagiri Gas and Power Pvt. Ltd. (RGPPL) have informed that they have signed a Power Purchase Agreement (PPA) with the Maharashtra State Electricity Distribution Company Limited (MSEDCL) on 10th April, 2007 for supply of power from the power project at Dabhol after detailed discussions and deliberations amongst various stakeholders. The PPA provides for two part tariff with a fixed cost and a variable cost which would be largely an outcome of the fuel price.

(b) to (d) A committee under the chairmanship of Secretary (Banking) has discussed the issues of reducing the cost and enhancing the viability of the project with the various stakeholders. Various options for improvement of long term viability of the project are under discussion.

(e) As the Dabhol power project is expected to supply power to MSEDCL upto 95% of its capacity of 2150 MW, power shortage to that extent in the State will be mitigated.

Sale price of natural gas

2255. SHRI UDAY PRATAP SINGH:
SHRI AMAR SINGH:

Will the Minister of POWER be pleased to state the details regarding the sale price of natural gas being projected by PSUs under the administrative control of the Ministry, on the pricing formula of natural gas?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): NTPC Limited, a Central Public Sector Undertaking under the administrative control of the Ministry of Power, has reported that it has obtained a price of US Dollar 3.18 Per Million British Thermal Unit for supply of gas at Power Plant boundary to its Kawas and Gandhar Expansion Projects for a period of 17 years through a transparent bidding process in the year 2004.